NATIONAL ENDOWMENT FOR THE ARTS
Report To Congress Under P.L. 106-107
2005

I. Participation in the Government-wide Streamlining and Grants.gov Efforts

The National Endowment for the Arts (NEA) has continued its active involvement on the interagency work groups, subgroups, and specially-formed teams, assisting with the government-wide streamlining and Grants.gov efforts. It should be noted that the NEA is a small agency with limited resources. The NEA cannot assign dedicated staff members to any of these work groups; all members participate in addition to their other responsibilities. Staff members participate on the **Pre-Award**, **Post-Award**, **Grants.gov**, and the recently formed **Training and Certification** work groups, as well as **subgroup spin-offs** and other streamlining efforts**.**

Our Director of Grants & Contracts represents the Agency on the **Pre-Award Work Group**. The NEA helped implement the establishment of the new Title 2 in the Code of Federal Regulations (CFR). As a member of a subgroup working on national policy requirements, the NEA is also assisting with the development of a proposal to the Office of Management and Budget (OMB) regarding a policy on the use of certifications and assurances. The NEA participates on the subgroup developing a unified and simplified approach to government-wide award notice and standard cover sheet and has also been asked to co-lead a subgroup of the Training and Certification work group.

Two members of the Grants & Contracts office are actively participating in the Pre-Award Work Group's effort to develop an approach for establishing award terms and conditions that will eliminate unnecessary differences between the Federal agencies' requirements and OMB's government-wide guidance. They will also be rewritten in "plain English." In particular, the NEA serves on the **Administrative Requirements subgroup** charged with developing the initial recommendations for the larger Pre-Award Work Group.

The NEA also participates on two **Post-Award Work Group** subgroups to help develop common reporting requirements and determine post-award management best practices**.**

Our Director of Guidelines and Panel Operations leads a team of seven that carries out Grants.gov requirements. The NEA implemented **Grants.gov FIND** and is also participating in **Grants.gov APPLY**, working closely with Grants.gov Program Management Office staff and associated Grants.gov consultants. In addition, the NEA chaired the **Arts & Humanities work group** that represented the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), and the Institute of Museum and Library Services (IMLS). These agencies were encouraged by Grants.gov to propose a slightly altered version of the Standard Form 424 that would be used by the cultural agencies for their application packages for organizations on Grants.gov. *The result of these combined efforts was the SF 424 Short Organizational Form and data set, which will be used by any Federal*

agency that might find this simplified version more appropriate. The Arts & Humanities work group also was asked by Grants.gov staff to develop a form and data set for applications for *individual applicants.* This has resulted in the SF 424 Individual Form and data set that will be used by all individuals who apply through Grants.gov.

The NEA, NEH, and IMLS sometimes share staff resources to the benefit of the agencies and the Streamlining and Grants.gov efforts. During FY 2005, the NEA Chief Information Officer (CIO) served on the **Grants.gov Executive Board**. For the **Grants Management Line of Business Task Force,** the Arts Endowment's interests were represented by the National Endowment for the Humanities CIO.

II. Internal Efforts to Create an Environment Conducive to Grants Streamlining and Simplification and Assess Impact of Changes

General Approach

Since 1996, the NEA has centralized and implemented many of the grant streamlining activities that surfaced under P.L. 106 – 107, giving our Agency a head start in simplifying and accommodating agreed upon interagency proposals and policies.

The NEA's senior management fully supports the Federal grants streamlining process. The staff who serve on the numerous work groups and teams cross the Agency's **programmatic**, **administrative**, **policy** and **IT** areas. Collectively and individually, senior management has designated and supported representation in the effort.

As a small agency, the NEA is fortunate that its streamlining and Grants.gov representatives work closely and keep each other apprised of the teams' efforts. As such, internal e-mails and reports updating senior management and other key staff are provided regularly as work group products progress. Senior management, such as deputies, general counsel, and the Inspector General, is always offered the opportunity to comment on draft products, proposed policies, and *Federal Register* notices. In addition, meetings have been held with all Agency staff to review ongoing activities in these areas.

The Agency also is committed to broad public outreach. It provides technical assistance to arts organizations, one-on-one, at community and state-wide workshops, and national conferences to ensure that applicants and grantees have the opportunity to participate in the Agency programs that are available to them. With these public outreach efforts, the Agency provides status updates on P.L. 106-107 and other streamlining efforts, including Grants.gov, and receives suggestions from end users.

Our funding opportunity announcements and application requirements are reviewed regularly internally and by a wide variety of representatives from the field. Some of the individuals involved have been responsible for completing applications in the past. Others, as panel members, have taken part in the application review process. These reviews assure that only essential information is requested and that it is as non-duplicative and streamlined as possible.

Additional streamlining opportunities are being implemented within the Agency. For example, staff has developed a process to send electronic notifications to potential applicants about the Agency's funding opportunities. This same process is being used as a transition measure to acknowledge the receipt of hard copy applications that do not yet come to the Agency through Grants.gov. These electronic notifications also serve as outreach tools to applicants and include information about subscribing to and registering for Grants.gov. The electronic notifications have worked well for the applicants and the Agency staff.

Implementing the Changes Affecting the Pre-Award Process

   A. Grants.govFIND:

   The NEA has participated in this effort since its inception, including actively working on data elements, proposing changes to the pilot, and offering policy guidance. We're pleased to say we began announcing our opportunities in May 2003, five months before the requirement for Agencies to participate in Grants.gov FIND. ***Currently 100% of our funding opportunities – both discretionary and mandatory – are being synopsized on this site.*** This translates to 17 opportunities posted on Grants.gov FIND in FY 2004 and 15 opportunities posted to date in FY 2005. The use of Grants.gov FIND now is part of our established business practices. Most applicants to the NEA continue to access information through the Arts Endowment's own Web site.

   B. Announcement Template

   We were actively involved with the development and implementation of the Government-wide Announcement template. As the template evolved, we carefully planned how it would impact our guidelines and announcement formats. Our Agency had already streamlined these documents, starting as early as 1998. At that time a concerted effort was made to make our announcements, forms, and reporting requirements consistent across funding programs. All guidelines for grant opportunities are developed and issued from a central office, the office of Guidelines and Panel Operations. During its development, the senior management, program, and grants staff were kept apprised through e-mail

updates, briefings, and review of all *Federal Register* notices associated with the template. We were pleased that in the final outcome of the announcement template, we were already 95% in compliance with the format and required content.

Beginning with funding opportunities for FY 05 awards (application deadlines in FY 04) the announcement template was implemented for 100% of our funding opportunities, both discretionary and mandatory. Our opportunities have been published on our Web site for years, are available through a Grants.gov FIND link, and can be printed out in Word or PDF. No policy changes have been necessary. Our funding opportunities already were 95% in compliance with the format and required content so there has not been a significant change for our applicants.

C. Grants.gov APPLY

The NEA regularly submits its annual "ramp up" schedule to the Grants.gov Program Management Office each fall. The Agency posted its first application package and received its first electronic applications through Grants.gov in FY 2004. In the fall of 2004 Grants.gov set FY 2005 goals that the Arts Endowment was expected to meet by June 2005. The goals were to:

- Post five application packages on Grants.gov.

- Receive a minimum of 100 electronic applications through Grants.gov.

By June 2005, the Agency had met 100% of the goals established by Grants.gov and was recognized for its success at the June 29, 2005, Stakeholders' meeting. To date the Agency actually has exceeded those goals by posting 11 application packages on Grants.gov and receiving close to 200 electronic applications.

In addition to developing the forms and data sets for the SF 424 Short Organizational Form and the SF 424 Individual Form, the Agency has worked closely with Grants.gov to develop two additional forms and data sets for its application packages: The NEA Supplemental Information Form and the NEA Organization & Project Profile Form. Now that these forms are in production, the Agency will be making its discretionary funding opportunities for 20 programs available for electronic application through Grants.gov.

To ensure successful applications through Grants.gov, the Agency has been working with previous applicants to make them aware of Grants.gov and assist them in the registration process (e.g., the DUNS requirement, Central Contractor Registration). This has included the development of customized instructions, tips,

and checklists on the Agency Web site, as well as email campaigns to encourage applicants to register for Grants.gov. In addition, through pro-active sessions, Agency staff "walk" potential applicants through these resources.

NEA IT team members have been making the necessary changes to ensure our ability to download and accept XML and PDF electronic applications. In addition, they have been working with the Grants.gov Program Management Office to prepare for a system-to-system interface.

To date, the most significant barrier that has been identified for applicants is the cumbersome process that they are required to go through to register for Grants.gov. The multi-step, multiple-provider, time-delayed process that is required is off-putting to many, regardless of the fact that it is a one-time-only process. This is coupled with the Agency's experience with an application deadline during Grants.gov's Denial of Service Attack and its aftermath. Unfortunately, several of our applicants were unable to receive help on their registration through Grants.gov's Customer Service resources or submit applications due to capacity problems with Grants.gov. The Agency ultimately extended its deadline by a week, thus disrupting a necessarily tight application processing schedule. Regrettably, some potential applicants still were unable to apply. As a result, the Agency made the decision to put on hold any future required application submissions through Grants.gov and redouble its efforts to promote Grants.gov internally and externally.

III. Other

During the period covered by this report, the Agency has used an eGRANT system for our State Arts Agency (SAA) and Regional Arts Organization (RAO) partners. These are the Agency's only mandatory grants. By statute, the NEA is required to provide 40% of its grantmaking funds to these 56 state arts agencies and their regional arts organizations, subject to our approving their annual plans. Several years ago, the Agency worked in partnership with Carnegie Mellon University's Heinz School of Management to implement eGRANT, a system that was already in use by many SAAs and RAOs, providing extraordinary streamlining. The data submitted is electronically deposited into our current COBOL-converted to C++ -- based grants management database. While the Agency is reluctant to abandon its successful eGRANT system for the SAAs and RAOs, it has developed a plan to transition its mandatory grants to Grants.gov.

We also accept Literature Fellowship final reports electronically. The option was made available to our Literature Fellows in May of 2004. As many of these individuals

move and travel extensively, the ability to create their report and submit it with the "push of a button" was extremely appealing.

Also in the third quarter of FY 2004 we launched *Grant-at-a-Glance*. National Endowment for the Arts award recipients can now access information on our Web site regarding their official grant record. Grantees can display general information concerning an award, such as their period of support and when their reports are due; track a payment request; and find out if forms they mailed or faxed to the NEA have been received. This is the first time in the history of the NEA that grantees have been able to obtain this information about their records without the need to speak with someone on the phone. Extensive Agency development and testing, along with a grantee pilot, enabled us to make this available for our grantees after only nine months of development.

IV. Summary

The NEA will continue its streamlining efforts at the agency level as well as assist the PL 106-107 work groups and sub-groups, and help to implement their streamlining efforts. As a small agency, with limited resources and a focused constituency (arts organizations and artists), we believe it's important to make our voice heard as the teams and the agencies strive to meet the goals of this Act.